



GALE PACIFIC LIMITED
(ASX: GAP)

ASX and Media Release

27 September 2011

On 25 August 2011, Gale Pacific Limited (**GAP** or the **Company**) announced that shareholders would receive a final dividend for the year ending 30 June 2011 of 1.2 cents per share, fully franked.

In order to remove uncertainty about whether the Company has the capacity to fully frank its final 2011 dividend in light of recent Corporations Act amendments, GAP has reduced the amount of its share capital so that it reflects the available assets of the Company.

A capital reduction has been made in accordance with section 258F of the Corporations Act 2001.

As a result, accumulated losses have been eliminated in the financial statements of the parent entity, and net assets are now greater than the reduced share capital amount.

This is a technical adjustment which has not impacted the net assets, financial result, cash flow or funding of the GAP parent entity or consolidated group.

No shares have been cancelled as a result of the capital reduction.

The final fully franked dividend of 1.2 cents per share will be paid on 3 October 2011.

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